

KENTUCKY TEACHERS' RETIREMENT SYSTEM
479 Versailles Rd, Frankfort, KY 40601-3800

Medicare Eligible Health Plan (MEHP) Enrollment

RE: KTRS Retiree/Spouse Turning Age 65

Our records indicate that you will be turning 65 in the next several months. As of the first day of the month that you reach your 65th birthday you will no longer be eligible for the Kentucky Employees Health Plan and you must obtain Medicare to continue coverage through KTRS.

Contact Social Security to enroll in Medicare approximately three months before your birth month. **You must enroll in any part of Medicare for which you are eligible (except Part D), complete the enclosed Medicare Information Form, attach a copy of your Medicare card, and submit it to this office for your KTRS medical coverage to be effective.** Upon receipt of the completed Medicare Information Form, KTRS will automatically enroll you in the KTRS Medicare Eligible Health Plan (MEHP) on the first day of your birth month. If you wish not to be enrolled, you must notify this office **in writing** by the 10th of the month **prior** to your birth month to decline the coverage.

ENROLLING IN MEDICARE - Medicare is composed of several parts. Part A is hospitalization benefits, Part B is medical benefits and Part D is prescription drug benefits.

Part A - Most people automatically get Part A coverage without having to pay a monthly premium to Social Security. This is because they or a spouse paid Medicare taxes while working. If you don't automatically get Part A at no cost, you are not required to purchase it and the plan will pay as Medicare would have on Part A expenses, excluding deductibles and copayments.

Part B - *All* retirees/spouses must enroll in Part B and pay the required monthly premium to Social Security. If you fail to enroll in Part B or your Part B lapses due to nonpayment of premiums, you will be responsible for the cost of any Part B claims. Also, in some cases, your Part B premium could be higher if you fail to enroll when you first become eligible. The 2008 Part B premium to be paid to Social Security is \$96.40.

Part D – The Medicare Prescription Drug Plan is prescription coverage offered by private companies approved by Medicare. Most KTRS retirees/spouses will find it financially beneficial not to enroll in a Medicare Part D Prescription Drug Plan because the KTRS prescription drug plan is on average as good as or better than standard Medicare prescription drug coverage. However, low-income Medicare beneficiaries, or those with both Medicaid and Medicare should contact Social Security to determine if it is in their best financial interest to enroll in Medicare Part D and waive the KTRS prescription plan. If enrolled in Medicare Part D, you will not be eligible for the KTRS prescription drug coverage. **Medical** coverage can remain intact for anyone enrolled in Medicare Part D.

You can obtain additional information by contacting Social Security at 1-800-772-1213, Medicare at 1-800-633-4227, or visiting www.medicare.gov on the web.

YOUR KTRS MEDICAL COVERAGE – For those enrolled in Parts A and B of Medicare, the MEHP medical plan is a Medicare Advantage Private Fee-for-Service (PFFS) plan currently administered by Humana. You may go to any Medicare-approved doctor or hospital that accepts the plan's payment terms for covered services. Unlike many Medicare Advantage Plans, the PFFS does not have a network as with an HMO or PPO. If any of your providers are unfamiliar with the Medicare Advantage PFFS plan, please have them call Humana Provider Relations at 1-866-291-9714. If you are enrolled in both Parts A and B of Medicare, there is no need to give providers your Medicare card when receiving services. You simply show your new MEHP Humana PFFS ID card each time you receive care and providers file claims directly with Humana instead of Medicare. If you do not have both Parts A and B of Medicare, you must present your Medicare card first followed by your MEHP Humana ID card.

See the enclosed Summary of Benefits for an overview of the medical program. You will receive 2008 benefit documents from Humana, including your ID card, before your coverage is effective. Once enrolled, you can access a letter of coverage at www.humana.com. Also, you can access most benefit documents at www.ktrs.ky.gov.

YOUR KTRS PRESCRIPTION COVERAGE – The MEHP Prescription Drug Plan is currently administered by Medco. The program consists of a Retail Drug Program and a Mail Service Drug Program. The Retail Drug Program is designed for initial and short-term prescriptions and allows up to a 30 day supply of medication to be obtained at a retail pharmacy. The Mail Service Drug Program is designed for prescriptions which are taken on a long-term basis and allows up to a 90 day supply of medication to be obtained at Medco's mail service pharmacy. See the enclosed handbook for more details regarding the prescription plan.

You should expect to receive a prescription plan ID card and benefit package around the first week of your birth month. **To avoid any possible lapse in your medication, obtain a refill through your current plan on the last day of the month prior to your birth month.** If your ID card has not arrived by the time you need to obtain a prescription, please use the retiree's Unique KTRS ID number with the group number of KTRSRX1. You may also print a temporary ID card by registering on www.medco.com. If you need specific information regarding a prescription prior to your effective date of coverage, please contact Medco at 1-800-551-8060, choose the Open Enrollment option, and reference the blanket ID of OEKTRSRET100993.

Listed below is the monthly cost of the 2008 KTRS MEHP:

RETIREES AGE 65 & OVER			Spouses Pay Full Premium Rate of: \$278
Years of Retiree Service	Retiree Cost If Hire Date Prior to 7/1/02	Retiree Cost If Hire Date 7/1/02 or after	
5 – 9.99	\$208.50	\$250.20	
10 – 14.99	\$139.00	\$208.50	
15 – 19.99	\$69.50	\$152.90	
20 – 24.99	\$ 0.00	\$97.30	
25 – 25.99	\$ 0.00	\$27.80	
26 – 26.99	\$ 0.00	\$13.90	
27 or more	\$ 0.00	\$0.00	

If you have any additional questions, please contact KTRS at 1-800-618-1687.